

City of Detroit

Recreation Department
Performance Audit

August 2001



City of Detroit
Performance Audit: Recreation Department
Index

		<u>Page</u>
Tab 1	<i>Executive Summary</i>	1
	Objectives	2
	Audit Scope and Methodology	2
	Background	3
	Key Findings	4
Tab 2	<i>Comments and Recommendations</i>	
	Overall Recommendation	5-6
	Recreation Centers	6
	Playgrounds	7
	Athletic Facilities	7-8
	Parks	8
	Marinas	8-9
	Golf Facilities	9-10
Tab 3	<i>Other Business Observations</i>	
	Strategic Plan	11-12
	Recreation Center Concessions	12
	Security Issues	12
Tab 4	<i>Detailed Findings - Recreation Centers</i>	Exhibits 1 - 7
Tab 5	<i>Detailed Findings - Playgrounds</i>	Exhibits 1 - 8
Tab 6	<i>Detailed Findings - Baseball Fields</i>	Exhibits 1 - 8
Tab 7	<i>Detailed Findings - Basketball Courts (Outdoor)</i>	Exhibits 1 - 6
Tab 8	<i>Detailed Findings - Parks</i>	
	Belle Isle	Exhibit 1
	Chandler	Exhibit 2
	River Rouge	Exhibit 3
Tab 9	<i>Detailed Findings - Marinas</i>	Exhibit 1
Tab 10	<i>Detailed Findings - Golf</i>	Exhibits 1 - 4
Tab 11	<i>Community Group Satisfaction Survey</i>	
Tab 12	<i>Golf Course Satisfaction Survey</i>	
Tab 13	<i>Recreation Department Organization Chart</i>	

EXECUTIVE SUMMARY

The Office of the Auditor General performed a performance audit of the City of Detroit's Recreation Department. Summarized below are the major comments.

General

- The Recreation Department significantly fails in their mission of providing world-class recreation facilities and services to the City of Detroit.
- The Recreation Department does a less than satisfactory job of providing a clean and safe environment for Detroit citizens and visitors.
- The Recreation Department's current plan goals are vague with no specific objectives. It does not address program service delivery nor provide a framework for policy-making and explaining intended program results.
- The Recreation Department does not track or measure the type and number of crimes or offences reported/occurring at recreational areas. Without this information, management cannot effectively address and rectify causes and situational problems.

Facilities and Services

- Four of the six recreation centers visited were in unsatisfactory condition. The facilities were unsafe, in disrepair, and not maintained or clean.
- Five of the seven playgrounds visited were in unsatisfactory condition. One was closed because of dangerous conditions. Equipment was old and unsafe with chipped and peeling paint. Swings were broken or missing. Trash littered the playgrounds and grass was long. Playgrounds did not have soft, shock-absorbent surface material.
- Seventeen of the eighteen baseball fields visited were in unsatisfactory condition. Backstops, fences, and player benches were broken or overgrown. Infield grounds were uneven and lacked adequate surface materials.
- All eleven-basketball courts visited were in unsatisfactory condition. Backboards, hoops, and nets were broken or missing. Court surfaces were cracked and uneven, with grass growing in the cracks.
- Three of the City's largest parks are in unsatisfactory condition. Restrooms and shelters were in very bad shape, equipment was broken or missing, fences were broken, trash littered the grounds, and grass and weeds were overgrown. Pools that were open were in good condition.
- Two of the City's three marinas were closed. The third was in unsatisfactory condition. Rates charged were below Michigan standards, which reduced potential revenue.
- Three of the four golf clubhouses visited were in unsatisfactory condition. Ceilings, walls, and parking areas had holes, cracks, and damage. Areas surrounding the clubhouse were overgrown with weeds and tall grass.

Citizen and Community Group Satisfaction

- Community group survey results show that all groups were unsatisfied with the physical maintenance and upkeep of the City's recreation buildings, grounds and facilities. Environmental groups, Park and Recreation Center Advisory Councils and Sports

Leagues rated the Recreation Department's performance on the physical aspects of recreation service delivery as unsatisfactory.

- Park and Recreation Center Advisory Council respondents reported that the Department's responsiveness was unsatisfactory, while responding Sports Leagues indicated that all aspects of the Department's service performance was unsatisfactory.
- Golf survey respondents at City managed courses reported unsatisfactory course and clubhouse conditions. Golfers at Belle Isle reported an unsatisfactory overall experience due in part to poor maintenance and poor drainage. Golfers at Rogell reported unsatisfactory parking lot conditions.
- Golfers at American Golf Corporation managed courses reported unsatisfactory clubhouse and parking lot conditions at both Rackham and Rouge.

Audit Objectives

The objective of this independent performance audit was to assess the Recreation Department's performance of providing the Detroit community with:

- efficient and effective activities, programs, and services;
- well managed facilities which are safe, clean, and readily available for use; and
- accountability to the public through mission and goals that facilitate decision-making.

Audit Scope and Methodology

Our assessment was completed using the following four-step methodology:

Step 1: Preliminary Investigation. The preliminary investigation enabled the audit team to develop an understanding of the Recreation Department's current organizational structure (see Tab 13) and processes. Further, it facilitated our understanding of the Recreation Department's expected performance and operating requirements. Interviews with key personnel were conducted to gain an understanding of the operating environment and to identify areas where performance improvements could be realized.

Step 2: Site Investigation. We conducted on-site investigations at selected sites to provide the audit team with the opportunity to assess first-hand the operating characteristics and processes of the Recreation Department. Pictures were taken to document current conditions and to provide a basis for evaluating future improvements. Facility users were interviewed to obtain a citizen's perspective on service delivery. Sites were selected to represent current conditions of the Recreation Department facilities and to include both positive and negative examples.

Step 3: Evaluation. The audit team reviewed information and findings from the site visits and evaluated or assessed performance based on criteria selected for each operating area. We also utilized survey results from community groups and golfers to determine patrons' perception and experiences using recreational facilities. Detroit recreational facilities and program structure were also compared to another industrial city.

Step 4: Report Preparation. As a result of these procedures, we prepared this report, which highlights our observations made during the audit and summarizes our findings and recommendations for each operating and service area selected.

This audit was performed in accordance with Government Auditing Standards as established by the Comptroller General of the United States.

Background

The Recreation Department origins go back to 1806, when the Governor and judges of Michigan laid out Detroit with several public spaces and parks. Belle Isle was purchased in 1879. Several other large parks were developed on land donated by citizens. The Recreation Department is a charter-mandated department of the City of Detroit. The Charter states “The Recreation Department shall operate recreation facilities, offer and carry on organized programs of recreation activities, and coordinate all recreational programs and facilities being offered to the City”. A Recreation Advisory Commission, comprised of one representative from each of the eight districts, provides citizen input.

The Recreation Department’s core services are:

- Landscape Design
- Planning and Grants
- Accounting
- Recreation Division
- Eastern Market
- Forestry Division
- Belle Isle and Riverfront Parks
- Building and Equipment Maintenance

The department employs approximately 810 people and its properties encompass nearly 6,000 acres. For fiscal year 2000-2001, the Recreation Department has a budget of \$62.5 million. The Department’s mission and goals are:

<i>Mission</i>	Provide efficient and cost effective world-class, urban forest, parks, recreation and leisure facilities and services that enhance the physical, emotional and social environment of the Detroit community.
----------------	---

<i>Goals</i>	<ol style="list-style-type: none">1. Promote a safe community by the expanded development and maintenance of the urban forest, parks, and recreation facilities and programs.2. Become a world-class city by providing those who live in and visit Detroit the opportunity to participate in a multiplicity of leisure experiences in both group and individual settings in an enhanced environment.3. Promote Department facilities, parks and green spaces as anchors for viable neighborhoods, thereby increasing property values and attracting business growth and development.4. Aggressively reduce costs, maximize revenue collection, and seek new methods to generate income.5. Effectively influence City departments, agencies, and Empowerment Zone committees and communities to include parks, trees, and recreation and leisure opportunities in their planning.
--------------	--

Key Findings

The Recreation Department provides the infrastructure, organization, and efforts for delivering recreational services. However, the Department does a less than satisfactory job of providing a clean and safe environment that adds to the overall well being of the City's neighborhoods. We believe that a major reason for this level of performance is the lack of a comprehensive plan and for some facilities, an active community and business sector involvement. Key findings include:

- Recreation Centers were in severe disrepair.
- Playground facilities and equipment were generally unsafe and poorly maintained.
- Baseball fields and basketball courts were minimally maintained, were unsafe, and in some cases, were not usable.
- City golf courses had clubhouses with damaged ceilings, walls, and parking areas. Areas surrounding the clubhouse were overgrown with weeds and tall grass.
- Park facilities were generally in disrepair and in need of overall maintenance.

A summary of the audit findings and related observations are included in the Comments and Recommendations Section (Tab 2) of this report. Detailed findings are in Tabs 4 to 10.

In addition, we noted that the Recreation Department's plan and goals were not specific and do not address program service delivery. Well-defined and measurable goals are integral to:

- operating and maintaining clean, safe, and usable facilities,
- delivering services, which are necessary as well as desired,
- evaluating performance and making prudent policy decisions, and
- reporting and accountability to the public.

Further discussion on the Department's strategic plan and goals is included in the Other Business Observations Section (Tab 3) of this report.

COMMENTS AND RECOMMENDATIONS

Documented below are observations made during the audit and corresponding recommendations. Detailed findings and exhibits are in Tabs 4 through 10. Overall ratings used throughout this report were assigned using the following criteria:

- **Poor** - Not maintained, many broken or missing items, rarely clean, unsafe, facilities in disrepair.
- **Fair** - Minimally maintained, several broken or missing items, occasionally clean, some unsafe equipment and facilities.
- **Average** - Generally maintained, acceptable number of broken or missing items, most areas were clean.
- **Good** - Usually maintained and in good working order, minimal broken or missing items, usually clean.
- **Very Good** - Well maintained, no broken or missing items, clean, aesthetically inviting.

1. Recreation Department - Overall Recommendation

Recreation Department management should adopt a three-fold plan to address current conditions of all recreation facilities and grounds: 1) immediate clean up, 2) repair and renovation, and 3) routine maintenance.

Immediate Clean up

Without delay, Recreation Department management should establish a plan and immediately schedule (three months or less) a clean up of all parks and recreational facilities in the city. This plan should include an assigned project leader, timeline, completion date, and the number of workers and teams needed for each park or facility. The plan should also identify community groups, businesses, and neighborhoods in the area that could be encouraged to participate and provide volunteers.

During the initial citywide clean up, the Recreation Department should explore unique opportunities, ventures, and partnerships to encourage periodic clean-ups and work days by community groups, businesses, and other volunteers. In addition, management should develop creative promotions and programs which will create an environment of citizen / user ownership and respect (e.g. have children put their painted handprint and name on interior or external walls).

Repair and Renovation

Starting with the findings identified by our audit (see Tabs 4 through 10), management should immediately assign a project manager to oversee and implement the following actions.

- a. Inventory and identify all repairs and improvements necessary to make facilities and equipment safe, accessible, and in compliance with the Americans with Disabilities Act (ADA). ADA requires the elimination of barriers and restrictions so that all users, including the physically challenged, can enjoy recreational activities.
- b. Request the Health Department perform inspections of equipment and facilities for health and safety concerns, including an assessment for lead-based paint and arsenic.
- c. Define criteria for prioritizing needed repairs and improvements such as cost, community need, and citizen safety.
- d. Determine cost and resources needed for each project, and allocate budgets according to priority.

- e. Develop a timeline and estimated completion dates,
- f. Assign duties for tracking progress, monitoring completion, and inspecting results.

Routine Maintenance

Management should establish a preventive, routine maintenance plan and schedule for each division, park, and facility. Schedules should include how often and by whom various inspections will be conducted and maintenance performed. Employees at each facility should complete daily and weekly site checklists (i.e., lights, floors, and ceilings should be inspected weekly) and have guidelines on how to procure and obtain repairs and supplies, as well as tracking and following up on submitted purchase and work orders. Also, management should explore additional opportunities for programs such as ‘Adopt a Park’, Corporate Sponsorships, and Community Partnerships.

2. Recreation Centers

We visited six of the City’s thirty-four recreation centers and rated their overall condition in the below table. Details and exhibits are in Tab 4.

Recreation Center	Overall Condition	Exhibit Reference
Maheras	Poor	1
O’Shea	Average	2
Adams/Butzel	Good	3
Kronk	Poor	4
Lasky	Fair	5
Cannon	Poor	6

In addition, Recreation Center days and hours of operation were not consistent with what is published. Four of the six centers we visited were closed on Saturday. In a random call survey in which we inquired about hours of operations, two of the six centers did not know and asked for our number to call us back. O’Shea had an unpublished phone number, however we were able to obtain the number through an inquiry using the Recreation Department’s general phone number.

Not all centers are in compliance with the Americans with Disabilities Act (ADA), which is designed to facilitate recreational opportunities for physically challenged citizens by eliminating barriers and restrictions. The Federal Government can impose fines for non-compliance.

Recommendation: Management should follow the suggestions detailed in **Recommendation #1** above for assessing current conditions and developing a plan for repair, renovation, and maintenance of recreation centers. Using current activity levels and input from patrons and community groups, management should establish standard days and hours of Recreation Center operations. Recreation Centers should remain open on Saturday and Sundays, as well as holidays. Also, management should give special consideration to the Detroit Public School schedule (school holidays, half-days, and ‘no school’ days).

3. Playgrounds

We visited seven of the Recreation Department's one hundred-twenty three playgrounds. Details and exhibits are in Tab 5.

Playground	Overall Condition	Exhibit Reference
Fletcher	Poor	1
Howarth	Good	2
Edmore- Marbud	Poor	3
Belton-Mark Twain	Poor	4
Dorias	Fair	5
Adams/Butzel	Poor	6
Butzel Family Center	Closed ¹	7

¹ Sign posted "Dangerous – Keep Out"

Recommendation: Management should follow the suggestions detailed in Recommendation #1 above for assessing current conditions and developing a plan for repair, renovation, and replacement of playground equipment. Management should also obtain a comprehensive understanding of the playground safety guidelines as adopted by the State of Michigan and incorporate them into the maintenance plan.

The maintenance plan for playgrounds should include timing and frequency for:

- Mowing grass and fields,
- Adding shock-absorbent materials under and around equipment,
- Cleaning and emptying trash, and
- Tree and shrub pruning.

4. Athletic Facilities

We visited eighteen of the City's forty-one baseball fields. Details and exhibits are in Tab 6.

Location	Number of Fields	Overall Condition	Exhibit Reference
Jayne Field	Four	Poor	1
Cannon Center	One	Fair	2
Adams/Butzel Field	Four	Poor	3
Rosedale Grandmont	One	Good	4
O'Shea Center	One	Poor	5
Butzel Family Center	Two	Poor	6
Balduck Center	Five	Poor	7

We visited eleven of the City's two hundred outdoor basketball courts. Details and exhibits are in Tab 7.

Location	Number of Courts	Overall Condition	Exhibit Reference
Maheras	Three	Poor	1
Kronk	Two	Poor	2
O'Shea Center	Two	Poor	3
Adams / Butzel	Two	Poor	4
Howarth	Two	Fair	5

Recommendation: Management should follow the suggestions detailed in Recommendation #1 above for assessing current conditions and developing a plan for repair, renovation, and replacement of equipment. Management should develop an on-going relationship with ball league and tournament representatives and sponsors to create a cooperative understanding of needs, which are incorporated into the maintenance plan.

5. Parks

We visited three of the City's largest parks. Details and exhibits are in Tab 8.

Park	Overall Condition	Exhibit Reference
Belle Isle	Fair	1
Chandler	Fair	2
River Rouge	Fair	3

Recommendation: Management should follow the recommendations detailed in #1 above for assessing current conditions and developing a plan for repair, renovation, and replacement of equipment. Management should develop master plans for both Chandler and Rouge Parks similar to the visionary master plan that has been developed for Belle Isle. The development of these plans should include input from the surrounding communities and patrons. Plans should also correspond to long-term City and Departmental goals.

6. Marinas

a. Condition

The City owns two marinas and operates one leased from the State of Michigan. We visited all three marinas. Details and exhibits for Grayhaven are in Tab 9.

Marina	Owner	Operator	Overall Condition
Erma Henderson	City of Detroit	City of Detroit	Closed - under renovation
St. Aubin	City of Detroit	State of Michigan Department of Natural Resources	Closed – pending transfer to Michigan Department of Natural Resources
Grayhaven	State of Michigan	City of Detroit	Fair

Recreation Department management has had discussions with Michigan Department of Natural Resources (MDNR) about reverting control of Grayhaven operations back to the State of Michigan when the lease expires. Discussions have also taken place with MDNR concerning the possibility of the MDNR taking over the operations of the Erma Henderson Marina.

Recommendation: Management should follow the suggestions detailed in Recommendation #1 above for assessing current conditions and developing a plan for repair, renovation, and maintenance.

b. Well Rental Rates

The City of Detroit requested and was granted a rate variance from the Waterways Commission, a division of the MDNR, who sets standard rates for all public Michigan marinas. The basis for this rate variance was the poor condition of the facilities and lack of responsiveness to customer service. The following chart depicts MDNR standard rates versus city rates.

Well Size	Standard Rate	City Rate	Variance (\$)	Variance (%)
24 feet	\$1,331.00	\$903.00	\$428.00	32%
27 feet	\$1,499.00	\$1,114.00	\$385.00	26%
30 feet	\$1,663.00	\$1,171.00	\$492.00	30%
38 feet	\$2,357.00	\$1,557.00	\$800.00	34%
45 feet	\$3,132.00	\$1,989.00	\$1,143.00	37%
60 feet	\$4,577.00	\$3,001.00	\$1,576.00	34%

For Grayhaven Marina, which has 78 thirty-foot wells, there was potential lost revenue of \$38,376 resulting from charging the reduced rental rates during the 2001 boating season.

If the Erma Henderson Marina, which has 243 wells, were open this season, revenue would have been reduced \$155,880 using the City's rates and assuming full usage. This revenue amount was calculated by multiplying the number of wells for each size by the amount of the variance.

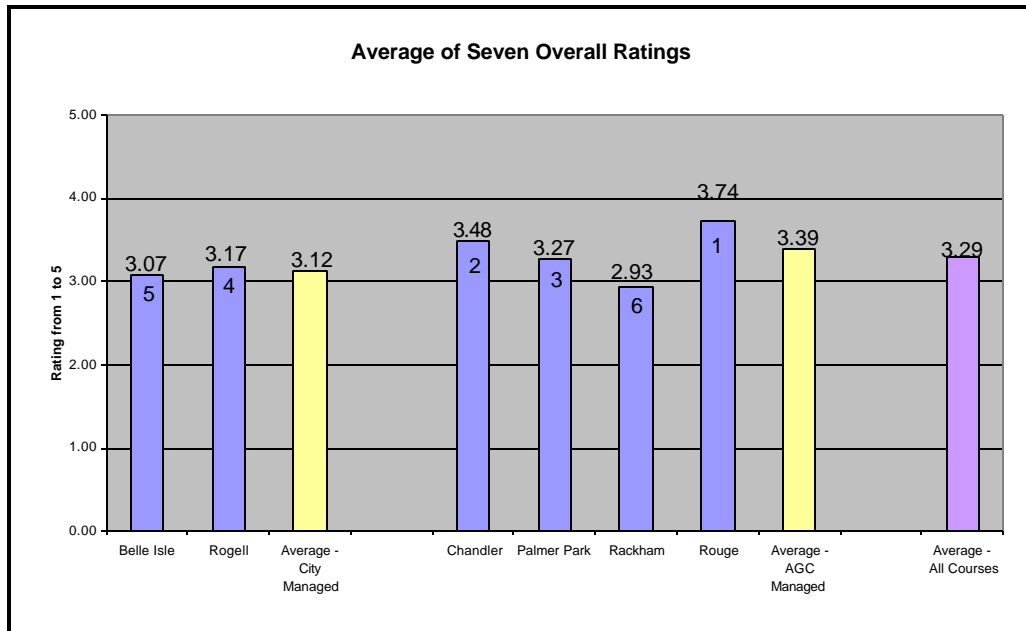
Recommendation: Re-assess existing well rental fees and explore the option of increasing fees so they are more aligned with MDNR stated rates for the 2002 season. Increased fees are a viable option because not only is the open marina full, it also has a waiting list. Implementing the previously discussed recommendation regarding facility maintenance and appearance should reduce any resistance to rental increases by facility patrons.

7. Golf Facilities

The City owns six golf courses of which four are leased and operated by American Golf Corporation (AGC). We visited the clubhouse facilities of four of the City's six golf courses. Details and exhibits are in Tab 10.

Golf Facility	Operator	Overall Condition	Exhibit Reference
Rogell	City of Detroit	Poor	1
Belle Isle	City of Detroit	Fair	2
Rackham	AGC	Fair	3
Chandler Park	AGC	Good	4

In addition, we conducted on-site user surveys at the courses shown on the chart below. Survey details are in Tab 12. The number ratings below are based on patron satisfaction ratings of the course overall, while the overall conditions in the above table are based on our visits and observations of the clubhouse and surrounding areas. The satisfaction survey does not reflect a significant variance between courses.



Recommendation: Management should adopt the suggestions detailed in **Recommendation #1** above for assessing current conditions and developing a plan for repair, renovation, and on-going maintenance. Management should develop an on-going relationship with golf league representatives and sponsors to create a cooperative understanding of needs, which are incorporated into the maintenance plan and long-range development.

We also recommend that the Recreation Department perform an analysis on the benefits and drawbacks of maintaining a pro shop at the city-operated golf courses. This analysis should examine cost, potential revenue, and patron satisfaction and conclude whether to establish pro shops at the city-operated golf courses.

OTHER BUSINESS OBSERVATIONS

During the course of our review we observed other opportunities for improving business operations.

1. Strategic Plan

a. Plans and Goals

We commend the Recreation Department for developing a five-year plan covering July 1997 through June 2002. We believe that quality program service delivery begins with a well-conceived strategic plan. An effective strategic plan should include specific goals and action plans, and identify key external factors that could inhibit the plan from effectively guiding the City and Department to the achievement of their initiatives.

The Recreation Department's current plan goals are vague with no specific objectives. It does not address program service delivery nor provide a framework for policy-making and explaining intended program results.

Recommendation: Management should establish goals that are directed toward the mission statement, explain objectives of programs and intended results, allow for future measurement of accomplishments, and include baseline references. Management should include these goals in the Five Year Plan 2002 – 2007 to provide direction to Recreation Department Management and staff.

b. Action Plans

The section in the plan titled "action plan" more closely resembles a needs assessment. Most of the action plans do not include costs, schedules, timelines, target dates, and measures. Accountability and methods of monitoring progress are not established nor are the action plans tied to a specific goal.

An action plan is the medium for documenting detailed steps required to successfully accomplish the strategic plan's mission, goals and objectives. Because the Recreation Department's strategic plan does not have adequate action plans, it is difficult, at best, to measure plan achievement. Development of detailed action plans will provide Recreation Department management and staff with a clear, targeted path to accomplish desired results.

Recommendation: The Recreation Department should identify and document specific projects targeted for completion during the plan period. For each project, management should perform an analysis to determine the change from current resource levels needed to achieve goals, establish target dates for completion, and set accountability methods for monitoring progress.

c. Key External Factors

Key external factors that could affect the achievement of goals should be identified in the strategic plan, and contingency plans made to offset adverse results that could occur. The extent to which goal achievement is dependent on key external factors beyond the department's control, including non-governmental factors, should be identified and included in any contingency plans. Examples of key external factors include: economic downturn, regulatory changes, and population and demographic shifts.

The Recreation Department's five-year plan does not address the key external factors that could affect the successful achievement of the mission, goals and objectives. This omission is a significant deficiency within the strategic plan. Identification of key external factors and contingency planning will assist Recreation Department management in curtailing the impact of any adverse effects.

Recommendation: Management should develop a service delivery plan providing guidance for delivering cost-effective services that meet the needs of the citizens. This plan should include a strategy for determining what types of programs are desired by the citizens in each community, an analysis of the funding or resources required to implement the plan, and establish what is the most cost effective way of delivering the services.

2. Recreation Center Concessions

We observed unofficial concessions at the Adams/Butzel Recreation Center.

Recommendation: The Recreation Department should create guidelines and establish proper controls for concession operations.

3. Security Issues

During site visits and discussions with patrons, some reference to crime and security were made. We understand that the Police Department reports all incidents occurring at recreational areas to the City's Security Section. To better assess the adequacy of safety and security at the City's parks and recreation centers, we planned to review these records. However we found that no formal records are maintained, and therefore the types and number of instances are not tracked and measured. Without this information, management cannot effectively address and rectify causes, trends, and situations.

Recommendation: Recreation Department management should obtain all police and security encounters and complaints to track the number and types of incidents. Based on this information, management should work with both the Police Department and the Security Section to evaluate possible contributing factors and causes, and develop needed action plans.